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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	
SECURITIES INVESTOR PROTECTION	:
CORPORATION,	:
	:
Plaintiff,	:
	:
v.	:
	:
BERNARD L. MADOFF INVESTMENT	:
SECURITEIS LLC,	:
	:
Defendant.	:
-----X	
In re:	:
	:
BERNARD L. MADOFF,	:
	:
Debtor.	:
-----X	

OBJECTION TO TRUSTEE'S DETERMINATION OF CLAIM

Alan Wallenstein ("Wallenstein"), objects to the Notice of Trustee's Determination of Claim dated October 6, 2009 (Exhibit A) ("Trustee's Determination"), as modified by the Trustee's letter dated October 23, 2009 (Exhibit B) ("Modification Letter") (together, the "Trustee's Determination"). As explained below, the Trustee's Determination allowed only a part of the amount sought by Wallenstein's customer net equity claim. Wallenstein objects to the Trustee's partial disallowance of his claim.

FACTUAL AND PROCEDURAL BACKGROUND

1. Prior to April 2002, Wallenstein's mother maintained an account (No. 1ZA51530) ("Original Account") with Bernard L. Madoff Investment Securities LLC ("Madoff).

2. Following the death of Wallenstein's mother in early 2002, the Original Account was divided and transferred into two new accounts at Madoff on or about April 11, 2002, which were established for the benefit of Wallenstein and his sister, as survivors of their mother. One of the new accounts was opened in the name of Wallenstein (No. 1ZB426) ("Claimant's Account"), and received a transfer of a total of \$545,869.34 of the stated value of the Original Account as of that date.¹

3. After the establishment of Claimant's account, additional value was added to the account in the form of (a) deposits of an aggregate of \$150,000 in cash by Claimant in 2002 and 2007, and (b) a further inter-account transfer, within Madoff, of a portion of the remaining stated value of the Original Account as of September 12, 2002.

4. From the time of the establishment of Claimant's Account, in addition to the communications from Madoff regarding the account, Wallenstein received monthly statements and securities transaction confirmations from Madoff.

5. On December 11, 2008, the United States Securities and Exchange Commission commenced an action against Madoff in the United States District Court for the Southern District of New York pursuant to the Securities Investment Protection Act ("SIPA"). On December 15, 2008, the District Court granted relief under SIPA and transferred the liquidation proceedings for Madoff to the United States Bankruptcy Court for the Southern District of New York ("Bankruptcy Court"). *See Order, Securities and Exchange Commission v. Bernard L. Madoff*

¹ The second account was opened in the name of Wallenstein's sister, and is not a subject of this Objection.

Investment Securities, LLC, No. 08-cv-10791 (S.D.N.Y. Dec. 15, 2008) (ordering relief under SIPA and transferring proceeding to the Bankruptcy Court) [Dkt. No. 4]. Irving H. Picard was appointed as Trustee (“Trustee”) and was charged, among other things, to overseeing the liquidation of Madoff and the processing and disposition of customer claims pursuant to SIPA. Id.; see also 15 U.S.C. § 78fff-l(a) (2009).

6. By Order dated December 23, 2008 (the “Notice & Procedures Order”), the Bankruptcy Court directed the Trustee to disseminate notice of the liquidation proceeding to Madoff customers along with customer claim forms, and set claim deadlines for the filing of claims. See Notice & Procedures Order [Dkt. No. 12].

7. The Notice Order further provided that, to the extent the Trustee disagrees with the amount claimed by a customer on a customer claim form, the Trustee “shall notify such claimant by mail of his determination that the claim is disallowed, in whole or in part, **and the reason therefor**” Notice & Procedures Order, at 6 (emphasis added).

8. On or about February 9, 2009, Wallenstein timely filed a claim for the value of Claimant’s Account (the “Claim”), based on the November 30, 2008 statement from Madoff which reflected an aggregate account value of \$1,036,478.38 (the “Final Madoff Statement”). Copies of Wallenstein’s claim form and his Final Madoff Statement are attached as Exhibits C and D.

9. On October 6, 2009, the Trustee issued the Trustee’s Determination. Among other things, the Trustee determined that (a) Wallenstein was not entitled to a claims for securities “because no securities were purchased for [Claimant’s Account],” but (b) the Claim was allowed, in part, but only to the extent of \$196,758.00, which represented “the balance in

[Claimant's Account' on the filing Date based on the amount of money you deposited with Madoff for the purchase of securities, less subsequent withdrawals”

10. In reaching the position stated in the Trustee's Determination, the Trustee discounted by value of the amounts transferred to Claimant's Account from the Original Account, “based on a money in/money out analysis” which, in turn, adjusted the aggregated value of the inter-account transfers received in Claimant's Account from \$546,312.93 to \$296,758.00.

11. On October 27, 2009, after discussions between Wallenstein and counsel for the Trustee, the Trustee issued the Modification Letter, which acknowledged that payment by the Trustee of the undisputed amount of the Claim (up to the limits of SIPA protection) would be without prejudice to the parties' rights, claims and defenses concerning the disputed portion of the Claim.

12. In subsequent discussions between Wallenstein or his counsel and counsel for the Trustee, Wallenstein's time to object to the Trustee's Determination was extended to, and including, January 20, 2010.

13. Wallenstein agrees to the Trustee's partial allowance of the Claim pursuant of the Trustee's Determination, but objects to the portion of the Trustee's Determination that disallowed the remainder of the Claim, on the grounds stated below.²

GROUND OF OBJECTION

First Objection

14. The Trustee's Determination fails to comply with the Notice & Procedures Order, which directs the Trustee to satisfy customer claims in accordance “with the Debtor's books and

² In accordance with the Modification Letter, Wallenstein has separately submitted to the Trustee a signed release and assignment, to the extent of the undisputed portion of the Claim.

records.” Notice & Procedures Order, at 5 [Dkt. No. 12]. The Claim was evidenced by the Final Madoff Statement which reflected a final balance of 1,036,478.63 and listed the securities purportedly purchased for and held in Claimant’s Account, which in turn reflects the “Debtor’s books and records” by which the Trustee is bound absent proof that Wallenstein, as the owner of Claimant’s Account, did not have a “legitimate expectation” that the balance on the Final Madoff Statement represented his property.*

Second Objection

15. The Trustee’s Determination fails to set forth a proper and sufficient legal basis for the positions he has taken regarding the calculation of the Claim. The Trustee’s Determination:

(a) does not clearly provide “the reason” for the disallowance, and thereby fails to satisfy the requirements of the Notice & Procedures Order;

(b) is insufficient to rebut the *prima facie* validity of the Claim provided by Section 502(a) of the Bankruptcy Code and Fed. R. Bankr. P. 3001(f);

(c) violates general principles of applicable law requiring that an objection to a proof of claim set forth, at a minimum, the relevant facts and legal theories upon which the objection is based, *see, e.g.*, 9 Collier on Bankruptcy ¶ 3007.01[3] (15th ed.) (the objection “should, at a minimum, allege those facts necessary to support the objection (ordinarily this must include allegations sufficient to overcome the *prima facie* validity of the filed proof of claim) and provide a description of the theories on which it is based.... [A]n objection to a claim should ...

* Wallenstein’s claim reflected a debit balance of \$0.25 and to Madoff, which reduces his net claim, as filed, to \$1,036,478.38.

meet the standards of an answer.”); In re Enron Corp., No. 01-16034, 2003 Bankr. LEXIS 2261, at *25 (Bankr. S.D.N.Y. Jan. 13, 2003) (same); and

(d) refers to an exhibit listing inter-account transfers into Wallenstein’s account but fails to grant full credit for the amount of those transfers to provide any supporting document to support the treatment.

Third Objection

16. The Trustee Determination violates Wallenstein’s rights under SIPA by failing to set forth valid or legal factual grounds for the reduction of the amount of the Claim by appreciation in Claimant’s Account or for the calculation of the Claim based on counting only the cash amount of a customer’s investment less cash withdrawals.

17. The Trustee’s Determination fails to fulfill the requirement of SIPA that the legitimate expectations of a customer must be honored in determining the allowance of a customer claim.

18. Under SIPA, customer net equity is specifically defined as:

the dollar amount of the account or accounts of a customer,
to be determined by –

(A) calculating the sum which would have been owed by
the debtor to such customer if the debtor had liquidated,
by sale or purchase on the filing date, all securities
positions of such customer (other than customer name
securities reclaimed by such customer); minus

(B) any indebtedness of such customer to the debtor on the
filing date

15 U.S.C. § 78III(11).

19. Based on regular statements and other communications received from Madoff, Wallenstein at all times reasonably believed that Claimant’s Account actually held such

securities and that Madoff has executed the transactions reports in the documents received by Wallenstein.

20. The requirement to compensate customers based on their legitimate expectations is confirmed by the legislative history of SIPA.

A customer generally expects to receive *what he believes* is in his account at the time the stockbroker ceases business. But because securities may have been lost, improperly hypothecated, misappropriated, *never purchased*, or even stolen, it is not always possible to provide to customers that which they expect to receive, that is, securities which they maintained in their brokerage account.... By seeking to make customer accounts whole and returning them to customers in the form they existed on the filing date, the amendments ... would satisfy customers' legitimate expectations

S. Rep. No. 95-763, 95th Cong., 2d Sess. 2 (1978). Accord, H.R. Rep. No. 95-746, at 21 (95th Cong., 1st Sess. 1978) (same). See In re New Times Secs. Servs., Inc., 371 F.2d 68, 74 (2d Cir. 2004). See also In re Primeline Secs. Corp., 295 F.3d 1100, 1107 (10th Cir. 2002) (“If a claimant intended to have the brokerage purchase securities on the claimant’s behalf and reasonably followed the broker’s instructions regarding payment, the claimant is a ‘customer’ under SIPA even if the brokerage or its agents misappropriate the funds.”); In re Oberweis Secs., Inc., 135 B.R. 842, 847 n.1 (Bankr. N.D. Ill. 1991) (“The court agrees with the trustee’s argument that Congress did not intend to treat customers without confirmations the same as those with confirmations; that customers with confirmations have a legitimate expectation of receiving securities, but customers without confirmations do not have the same expectation.”).

21. Jurisprudence under SIPA confirms the paramount significance of customers’ legitimate expectations, and validates the controlling significance of account valuation based on the stated contents of Claimant’s Account as of the commencement of the SIPA liquidation case.

E.g., SIPC v. Vigman, 803 F.2d 1513, 1516 (9th Cir. 1986) (net equity is the amount that the broker would have owed the claimant if it had liquidated the account on the date of commencement of the case, less amounts owed by the claimant to the broker); SEC v. Aberdeen Secs. Co., 480 F.2d 1121, 1123-24 (3d Cir. 1973); In re Adler Coleman Clearing Corp., 195 B.R. 266, 270 (Bankr. S.D.N.Y. 1996) (“A customer’s account is valued as of the date the SIPA liquidation is commenced); In re Bevill, Bresler & Schulman, Inc., 83 B.R. 880, 892 (D.N.J. 1988). *See also* In re Investors Center, Inc., 129 B.R. 339, 351 (Bankr. E.D.N.Y. 1991) (case involving customer net equity claims for cash, in which the Madoff trustee also was the SIPA liquidation trustee; “in this case, the customers received written confirmation. Therefore, they have a claim for cash regardless of the fact that the contract was never executed because of) the broker’s] breach. It makes no difference why [the broker] breached the contract.”).³

22. Moreover, the Securities Investor Protection Corporation (“SIPC”), the corporation charged with administering SIPA, has publicly acknowledged that it is bound by the statute and the rules to satisfy the reasonable expectations of customers holding claims for securities even when the securities had never been purchased by the broker.⁴ Brief of Appellant SIPC, In re New Times Secs. Servs., 371 F.3d 68 (2d Cir. 2004) (No. 05-5527), at 23 (“Reasonable and legitimate expectations on the filing date are controlling even where inconsistent with transaction reality.”). *See also* Transcript or Proceedings, In re New Times Secs. Servs., Inc., No. 00-8178 (Bankr. E.D.N.Y. July 28, 2000), at 37-39; December 16, 2008

³ A cash in/cash out methodology for the computation of net equity has been accepted by the courts only in cases involving SIPA “claims for cash”, not claims for securities. *In re Old Naples Secs., Inc.*, 311 B.R. 607 (M.D. Fla. 2002); *In re C.J. Wright & Co.*, 162 B.R. 597 (Bankr. M.D. Fla. 1993). No reported case law in this District or Circuit supports the Trustee’s approach in the Madoff case.

⁴ Moreover, although SIPA authorizes SIPC to adopt rules that define terms used in the statute, this rulemaking power explicitly excludes the promulgation of such rules for terms that are specifically provided by section 78111 of the statute (which contains the definition of “net equity”). *See* 15 U.S.C. § 78ccc(b)(4)(A).

Insiders' Blog, www.occ.treas.gov/ftp/alert/2008-37.html (reporting statement by SIPC general counsel Josephine Wang to the press on December 16, 2008, acknowledging that a Madoff customer is entitled to the securities in the customer's account).

23. The Trustee's methodology is inconsistent with the Series 500 Rules promulgated by SIPC under SIPA, which provide for the classification of claims for cash or securities in accordance with the written transaction confirmations sent by the broker-dealer to the customer. *See* 17 C.F.R. § 300.500. Pursuant to these Rules, a customer has a claim for securities if the customer received written confirmation that securities were purchased or sold for the account. *See id.* § 300.501; *see also In re New Times Secs. Servs., Inc.*, 371 F.2d at 86, 87 (premise of Series 500 Rules is that a customer's legitimate expectations, based on written confirmations of transactions, should be protected; "whether a claim is treated [under those Rules] as one for securities or cash depends not on what is actually in the customer's account but on what the customer has been told by the debtor in written confirmations").

24. In this case, the Trustee and SIPC have publicly acknowledged or agreed that aggrieved customers of Madoff, such as Wallenstein, hold claims for securities. But, the Trustee's Determination is inconsistent with, and impermissibly deviates from, the purpose and goals of SIPA, the position that SIPC, has unequivocally and publicly taken with respect to the treatment of customers in accordance with their reasonable expectations reflected in the communications from the broker-dealer.

Fourth Objection

25. The reduction of the amount of the filed Claim to exclude any prior gains reflected on the Final Madoff Statement or prior account statements is an improper attempt by the Trustee to avoid such gains without alleging any legal grounds for avoidance and without

proving that such gains are avoidable under avoidance under any statute. Such avoidance may only be accomplished in this proceeding by means of an adjudication in an adversary proceeding. *See* Fed. R. Bankr. P. 7001(1), 7008; SLW Capital, LLC v. Mansaray-Ruffin (In re Mansaray-Ruffin), 530 F.3d 230 (3d Cir. 2008). Accordingly, such purported disallowance is improper and unjustified.

Fifth Objection

26. Claimant's Account was established with amounts transferred from a prior account at Madoff (the "Transferor Account"). In calculating net equity for Claimant's Account, the Trustee's Determination does not reflect the full amount transferred from the Original Account to Claimant's Account as reflected by the records of Madoff recording and confirming the transfer. Instead, the Trustee recalculated and revalued the amount transferred into Claimant's Account under the money in/money out methodology, with the result that the amount attributed to the Original Account is substantially lower than the amount reflected in the records and in the statements rendered to Wallenstein for Claimant's Account.

27. The Trustee fails to alleged any factual or legal basis for the reduction in this fashion, or to prevent Wallenstein from enjoying the status of a bona fide transferee and purchaser acting in good faith of the amounts received from the Prior Account. There is no basis in fact or law for such recalculation. The Trustee has no legal support for reducing the balance in the Original Account at the time of the transfer under state law or federal bankruptcy law. Moreover, the reduction is an improper attempt to invoke the avoidance remedies under the Bankruptcy Code without a proper proceeding or adjudication (see Paragraph 25). The trustee should be required to re-determine the Claim by recognizing the full amount of the Original Account that was transferred to Claimant's Account.

Sixth Objection

28. The Trustee's methodology for calculating customer claims is an improper and inadequate measure of loss. Wallenstein established his account with proceeds received from a relative's predecessor account at Madoff, and deposited another \$150,000 into the account with the reasonable and legitimate expectation that the value of Claimant's Account would grow; the statements for Claimant's Account showed growth; and the balance on the Final Madoff Statement reflects the benefit of this bargain. *See Visconsi v. Lehman Brothers, Inc.*, No. 06-3304, 244 Fed. Appx. 708, 713-14 (6th Cir. 2007); *see also SEC v. Byers*, 637 F. Supp. 2d 166 (S.D.N.Y. 2009) (in equitable distribution proceeding arising from Ponzi scheme, Court authorized calculation of claims based on inclusion of reinvested earnings reported in customers' accounts, so as to treat reinvesting customers equitably as compared with customers who made net withdrawals from their accounts).

29. The Trustee's methodology also conflicts with other federal law. *See, e.g.*, I.R.S. Rev. Proc. 2009-20 (issued March 17, 2009) (recognizing a valid tax loss claim for income earned by Madoff customers according to their account statements, on which they paid taxes annually).

Seventh Objection

30. Wallenstein was required to pay income taxes on distributions which the Trustee asserts to have been fictitious. The Trustee justifies his methodology for calculating claims as fair and reasonable because, in his view, fictitious gains on accounts should not be treated the same as claims for funds actually deposited by customers, in order to equalize the treatment of all Madoff customers. This assertion is not correct, in so far as customers did not have the use of

reported but allegedly fictitious gains in their accounts, but nonetheless paid required income taxes on reported amounts shown as being in their Madoff accounts.

31. Even if the Trustee's methodology is correct, Wallenstein's claim should be adjusted by adding back all amounts he actually paid as income taxes on allegedly fictitious gains to equalize his treatment with other customers. *See SEC v. Byers*, supra.

Additional and Alternate Considerations

32. In the event that the Court determines that customer claims should not be allowed in the amounts reflected on the final account statements of the Final Madoff Statement, then in the alternative, the customer is entitled to recover interest or appreciation the investments based upon the following.

33. Under New York law, which is applicable here, funds deposited with Madoff under these circumstances are entitled to interest. *See, e.g.*, N.Y. C.P.L.R. § 5004; N.Y. Gen. Oblig. L. § 5-501, *et seq.* Accordingly, the Claim should be recalculated by adding interest to all funds deposited.

34. Under New York law, which is applicable here, customers are entitled to any returns Madoff earned on the deposited funds under principles of unjust enrichment. Accordingly, customer claims should be recalculated by adding the amounts earned by Madoff on the customer's deposits. *See, e.g.*, Steinberg v. Sherman, No. 07-1001, 2008 U.S. Dist. LEXIS 35786, at * 14-15 (S.D.N.Y. May 2, 2008) ("Causes of action such as ... conversion and unjust enrichment qualify for the recovery of prejudgment interest."); Eighteen Holding Corp. v. Drizin, 701 N.Y.S.2d 427, 428 (N.Y. Sup. Ct. App. Div. 1st Dep't 2000) (awarding prejudgment interest on claims for unjust enrichment and conversion).

35. Claimant is entitled to interest on his investment under federal securities laws. *See* Randall v. Loftsgaarden, 478 U.S. 647, 664 (1986) (after analyzing different measures of recovery of “actual damages” for fraud, including rescission and restitution, the Supreme Court concluded that Congress intended to deter wrongdoers, and hence, wide latitude in choosing the measure of damages was warranted; “This deterrent purpose is ill-served by a too rigid insistence on limiting plaintiffs to recovery of their “net economic loss.”).

RESERVATION OF RIGHTS

36. Wallenstein reserves the right to revise, supplement, or amend this Objection, and any failure to object on a particular ground or grounds shall not be construed as a waiver of Wallenstein’s right to object on any additional grounds.

37. Wallenstein reserves all rights set forth in Rule 9014 of the Federal Rules of Bankruptcy Procedure and under applicable provisions of law including, without limitation, rights of discovery. *See* Fed. R. Bankr. P. 9014.

38. Wallenstein reserves all objections as to the competence, relevance, materiality, privilege, or admissibility of evidence in any subsequent proceeding or trial of this or any other action or adversary proceeding for any purpose whatsoever.

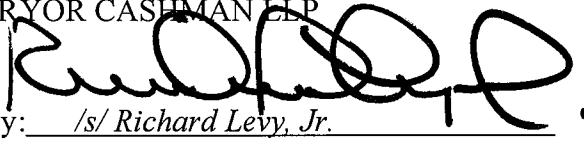
RELIEF REQUESTED

For the foregoing reasons, the Bankruptcy Court should: (1) allow Wallenstein’s Claim in its entirety in the amount of \$1,036,478.38; (2) direct the Trustee and SIPC immediately to cause the further advance of cash to Wallenstein from the SIPC fund in an amount sufficient to provide

Wallenstein with the full \$500,000 amount of SIPC coverage to which his Claim is entitled; and
(3) grant Wallenstein such other and further relief as may be just and proper.

Dated: January 19, 2010

PRYOR CASHMAN LLP



By: /s/ Richard Levy, Jr.

Richard Levy, Jr.

7 Times Square

New York, New York 10036

Telephone: (212) 421-4100

Facsimile: (212) 326-0806

Attorneys for Alan Wallenstein

EXHIBIT A

BERNARD L. MADOFF INVESTMENT SECURITIES LLC

In Liquidation

DECEMBER 11, 2008¹

NOTICE OF TRUSTEE'S DETERMINATION OF CLAIM

October 6, 2009

Alan Wallenstein
37 Huff Terrace
Montvale, NJ 07645

Dear Alan Wallenstein:

PLEASE READ THIS NOTICE CAREFULLY.

The liquidation of the business of BERNARD L. MADOFF INVESTMENT SECURITIES LLC ("BLMIS") is being conducted by Irving H. Picard, Trustee under the Securities Investor Protection Act, 15 U.S.C. § 78aaa et seq. ("SIPA"), pursuant to an order entered on December 15, 2008 by the United States District Court for the Southern District of New York.

The Trustee has made the following determination regarding your claim on BLMIS Account No. 1ZB426 designated as Claim Number 002087:

Your claim for securities is **DENIED**. No securities were ever purchased for your account.

Your claim is **ALLOWED** for \$196,758.00, which was the balance in your BLMIS Account on the Filing Date based on the amount of money you deposited with BLMIS for the purchase of securities, less subsequent withdrawals, as outlined in Table 1.

¹ Section 78III(7)(B) of SIPA states that the filing date is "the date on which an application for a protective decree is filed under 78eee(a)(3)," except where the debtor is the subject of a proceeding pending before a United States court "in which a receiver, trustee, or liquidator for such debtor has been appointed and such proceeding was commenced before the date on which such application was filed, the term 'filing date' means the date on which such proceeding was commenced." Section 78III(7)(B). Thus, even though the Application for a protective decree was filed on December 15, 2008, the Filing Date in this action is on December 11, 2008.

DEPOSITS			
DATE	TRANSACTION DESCRIPTION	AMOUNT	ADJUSTED AMOUNT
4/11/2002	TRANS FROM 1ZA51630	\$545,869.34	\$296,758.00
6/24/2002	CHECK	\$100,000.00	\$100,000.00
9/12/2002	TRANS FROM 1ZA51630	\$443.59	\$0.00
3/1/2007	CHECK	\$50,000.00	\$50,000.00
Total Deposits:		\$696,312.93	\$446,758.00
WITHDRAWALS			
DATE	TRANSACTION DESCRIPTION	AMOUNT	ADJUSTED AMOUNT
11/20/2002	CHECK	(\$100,000.00)	(\$100,000.00)
10/1/2007	CHECK	(\$30,000.00)	(\$30,000.00)
1/2/2008	CHECK	(\$30,000.00)	(\$30,000.00)
4/1/2008	CHECK	(\$30,000.00)	(\$30,000.00)
7/1/2008	CHECK	(\$30,000.00)	(\$30,000.00)
10/1/2008	CHECK	(\$30,000.00)	(\$30,000.00)
Total Withdrawals:		(\$250,000.00)	(\$250,000.00)
Total deposits less withdrawals:		\$446,312.93	\$196,758.00

As reflected in Table 1, certain of the transfers into or out of your account have been adjusted. As part of the Trustee's analysis of accounts, the Trustee has assessed accounts based on a money in/money out analysis (i.e., has the investor deposited more or less than he or she withdrew from BLMIS). This analysis allows the Trustee to determine which part of an account's balance is originally invested principal and which part is fictitious gains that were fabricated by BLMIS. A customer's allowed claim is based on the amount of principal in the customer's account.

Whenever a customer requested a transfer from one account to another, the Trustee analyzed whether the transferor account had principal in the account at the time of the transfer. The available principal in the account was transferred to and credited in the transferee account. Thus, the reason that the adjusted amount of transferred deposits in Table 1 is less than the purported transfer amount is that the transferor account did not have sufficient principal available to effectuate the full transfer. The difference between the purported transfer amount and the adjusted transfer amount is the amount of fictitious gain that was transferred to or from your account. Under the money in/money out analysis, the Trustee does not give credit for fictitious gains in setting your allowed claim.

Your **ALLOWED CLAIM** of \$196,758.00 will be satisfied in the following manner:

The enclosed **ASSIGNMENT AND RELEASE** must be executed, notarized and returned in the envelope provided herewith. Upon receipt of the executed and notarized **ASSIGNMENT AND RELEASE**, the Trustee will fully satisfy your **ALLOWED CLAIM** by sending you a check in the amount of \$196,758.00, with the funds being advanced by Securities Investor Protection Corporation pursuant to section 78fff-3(a)(1) of SIPA.

Should a final and unappealable court order determine that the Trustee is incorrect in his interpretation of "net equity" and its corresponding application to the determination of customer claims, the Trustee will be bound by that order and will apply it retroactively to all previously determined customer claims in accordance with the Court's order. Nothing in this Notice of Trustee's Determination of Claim shall be construed as a waiver of any rights or claims held by you in having your customer claim re-determined in accordance with any such Court order.

PLEASE TAKE NOTICE: If you disagree with this determination and desire a hearing before Bankruptcy Judge Burton R. Lifland, you **MUST** file your written opposition, setting forth the grounds for your disagreement, referencing Bankruptcy Case No. 08-1789 (BRL) and attaching copies of any documents in support of your position, with the United States Bankruptcy Court **and** the Trustee within **THIRTY DAYS** after October 6, 2009, the date on which the Trustee mailed this notice.

PLEASE TAKE FURTHER NOTICE: If you do not properly and timely file a written opposition, the Trustee's determination with respect to your claim will be deemed confirmed by the Court and binding on you.

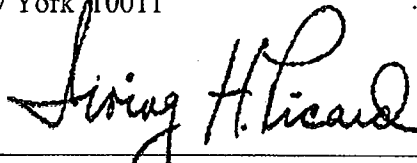
PLEASE TAKE FURTHER NOTICE: If you properly and timely file a written opposition, a hearing date for this controversy will be obtained by the Trustee and you will be notified of that hearing date. Your failure to appear personally or through counsel at such hearing will result in the Trustee's determination with respect to your claim being confirmed by the Court and binding on you.

PLEASE TAKE FURTHER NOTICE: You must mail your opposition, if any, in accordance with the above procedure, to each of the following addresses:

Clerk of the United States Bankruptcy Court for
the Southern District of New York
One Bowling Green
New York, New York 10004

and

Irving H. Picard, Trustee
c/o Baker & Hostetler LLP
45 Rockefeller Plaza
New York, New York 10011



Irving H. Picard

Trustee for the Liquidation of the Business of
Bernard L. Madoff Investment Securities LLC

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

Adv. Pro. No. 08-01789-BRL

SIPA Liquidation

ASSIGNMENT AND RELEASE

KNOW ALL MEN BY THESE PRESENTS, that ALAN WALLENSTEIN, located at 37 Huff Terrace, Montvale, NJ 07645 (hereinafter referred to as the "Assignor") in consideration of the payment of \$196,758.00 to satisfy his claim for customer protection (the "Customer Claim", having been designated Claim #002087) filed in the liquidation proceeding of Bernard L. Madoff Investment Securities LLC ("BLMIS") under the Securities Investor Protection Act, 15 U.S.C. §78aaa *et seq.* ("SIPA") (*see* §§78fff-2(b), 78fff-2(d), and §78fff-3(a)(1) of SIPA), does for himself hereby assign, transfer and set over to Irving H. Picard as SIPA Trustee (the "SIPA Trustee") for the liquidation of BLMIS (*see* §78fff-2(b) of SIPA), and the Securities Investor Protection Corporation ("SIPC"), as subrogee to the extent of its cash advances to the SIPA Trustee for the satisfaction of the aforementioned Customer Claim (*see* §78fff-3(a)(1) of SIPA), any and all rights, including causes of action or claims, that Assignor now may have against BLMIS and/or any third party arising out of or relating to any fraudulent or illegal activity with respect to Assignor's BLMIS account (Account No. 1ZB426, the "BLMIS Account"), which gave rise to the allowed Customer Claim for securities filed by Assignor

against BLMIS. Such assignment is only to the extent that Assignor has received satisfaction of the Customer Claim as set forth above.

Further, Assignor has not previously compromised or assigned any claim, cause of action or other right against BLMIS, its principals or agents or any third party arising out of or related to any fraudulent or illegal activity giving rise to the Customer Claim.

Upon reasonable request of the SIPA Trustee or SIPC, Assignor agrees to cooperate with the SIPA Trustee or SIPC in connection with any efforts of either to recover from the principals or agents of BLMIS or anyone else for amounts advanced by SIPC or paid by the SIPA Trustee to satisfy Assignor's Customer Claim in this SIPA liquidation proceeding. Such efforts to recover by the SIPA Trustee or SIPC, either to demand or pursue or to prosecute or settle any collection effort, action or proceeding therefore, shall be at the sole cost of the SIPA Trustee or SIPC.

Effective immediately and without further action, contingent only upon Assignor's receipt from the SIPA Trustee or his agent of a check in the amount of \$196,758.00 as set forth in the SIPA Trustee's Notice of Determination of the Customer Claim dated October 6, 2009, (the "Trustee's Determination"), and upon receipt by the SIPA Trustee of this executed and notarized Assignment and Release, the Assignor does for Assignor's executors, administrators, heirs and assigns hereby remise, release and forever discharge the SIPA Trustee and SIPC, as subrogee to the extent of its cash advances for the satisfaction of the Customer Claim, and, as the case may be, its officers, directors, professionals, employees, agents, successors and assigns, of and from any and all claims arising out of or relating to the Assignor's BLMIS Account, the Customer Claim filed with the SIPA Trustee as protected by the provisions of SIPA, and any and all circumstances giving rise to said Customer Claim which the Assignor now has, or hereafter may

have, for or by any reason, cause, matter or thing whatsoever from the beginning of the world to the date of the execution of this Assignment and Release, only to the extent that the SIPA Trustee and/or SIPC has paid monies to the Assignor to satisfy Assignor's Customer Claim.

Should a final and unappealable court order determine that the Trustee is incorrect in his interpretation of "net equity" and its corresponding application to the determination of customer claims, the Trustee will be bound by that order and will apply it retroactively to all previously determined customer claims in accordance with the Court's order. Nothing in this Assignment and Release shall be construed as a waiver of any rights or claims held by Assignor in having his customer claim re-determined in accordance with any such Court order.

Assignor acknowledges the sufficiency of the consideration to be received in accordance with the SIPA Trustee's Determination and under this Assignment and Release.

IN WITNESS WHEREOF, the undersigned has on this day set forth below duly executed this Assignment of Assignor's Customer Claim and Release, intending to be legally bound hereby.

By: _____
ALAN WALLENSTEIN

Sworn and subscribed before me this
____ day of _____, 2009.

Notary Public

EXHIBIT B

Irving H. Picard
Trustee for the Liquidation of Bernard L. Madoff Investment Securities LLC
Baker & Hostetler LLP
45 Rockefeller Plaza
11th Floor
New York, New York 10111
Tel No.: 212-589-4200

October 27, 2009

Alan Wallenstein
37 Huff Terrace
Montvale, NJ 07645

Re: Bernard L. Madoff Investment Securities LLC
Bankr.S.D.N.Y., No. 08-1789 (BRL)
Account No. 1ZB426

Dear Mr. Wallenstein:

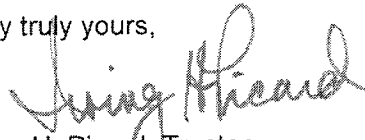
This letter responds to your request for the addition of certain language to the Assignment and Release (the "Assignment and Release") you received with the Notice of Trustee's Determination of Claim dated October 6, 2009.

The following language hereby is incorporated by reference into the Assignment and Release:

The payment of the undisputed amount of the Assignor's Customer Claim (up to the limits of SIPA protection) will be without prejudice to the Trustee's and the Assignor's rights, claims, and defenses with respect to the disputed portion(s) of the Assignor's Customer Claim.

Additionally, as we discussed, you have until December 7, 2009 to file your objection and return the executed release.

Very truly yours,



Irving H. Picard, Trustee
Bernard L. Madoff Investment
Securities LLC

EXHIBIT C

CUSTOMER CLAIM

Claim Number _____

Date Received _____

BERNARD L. MADOFF INVESTMENT SECURITIES LLC

In Liquidation

DECEMBER 11, 2008

Irving H. Picard, Esq.
Trustee for Bernard L. Madoff Investment Securities LLC
Claims Processing Center
2100 McKinney Ave., Suite 800
Dallas, TX 75201

Provide your office and home telephone no.

OFFICE: _____

HOME: _____

Taxpayer I.D. Number (Social Security No.)



Account Number: 1ZB426
ALAN WALLENSTEIN
37 HUFF TERRACE
MONTVALE, NJ 07645

(If incorrect, please change)

NOTE: BEFORE COMPLETING THIS CLAIM FORM, BE SURE TO READ CAREFULLY THE ACCOMPANYING INSTRUCTION SHEET. A SEPARATE CLAIM FORM SHOULD BE FILED FOR EACH ACCOUNT AND, TO RECEIVE THE FULL PROTECTION AFFORDED UNDER SIPA, ALL CUSTOMER CLAIMS MUST BE RECEIVED BY THE TRUSTEE ON OR BEFORE March 4, 2009. CLAIMS RECEIVED AFTER THAT DATE, BUT ON OR BEFORE July 2, 2009, WILL BE SUBJECT TO DELAYED PROCESSING AND TO BEING SATISFIED ON TERMS LESS FAVORABLE TO THE CLAIMANT. PLEASE SEND YOUR CLAIM FORM BY CERTIFIED MAIL - RETURN RECEIPT REQUESTED.

1. Claim for money balances as of **December 11, 2008**:
- a. The Broker owes me a Credit (Cr.) Balance of \$ 0
- b. I owe the Broker a Debit (Dr.) Balance of \$.25

- c. If you wish to repay the Debit Balance,
please insert the amount you wish to repay and
attach a check payable to "Irving H. Picard, Esq.,
Trustee for Bernard L. Madoff Investment Securities LLC."
If you wish to make a payment, it must be enclosed
with this claim form.

\$ N/A
NONE

- d. If balance is zero, insert "None."

2. Claim for securities as of December 11, 2008:

PLEASE DO NOT CLAIM ANY SECURITIES YOU HAVE IN YOUR POSSESSION.

- | | <u>YES</u> | <u>NO</u> |
|---|------------|-----------|
| a. The Broker owes me securities | <u>X</u> | |
| b. I owe the Broker securities | | <u>X</u> |
| c. If yes to either, please list below: | | |

Date of Transaction (trade date)	Name of Security	Number of Shares or Face Amount of Bonds	
		The Broker Owes Me (Long)	I Owe the Broker (Short)
	SEE Attached		
	Acct statement	\$1,036,478.38	

Proper documentation can speed the review, allowance and satisfaction of your claim and shorten the time required to deliver your securities and cash to you. Please enclose, if possible, copies of your last account statement and purchase or sale confirmations and checks which relate to the securities or cash you claim, and any other documentation, such as correspondence, which you believe will be of assistance in processing your claim. In particular, you should provide all documentation (such as cancelled checks, receipts from the Debtor, proof of wire transfers, etc.) of your deposits of cash or securities with the Debtor from as far back as you have documentation. You should also provide all documentation or

information regarding any withdrawals you have ever made or payments received from the Debtor.

Please explain any differences between the securities or cash claimed and the cash balance and securities positions on your last account statement. If, at any time, you complained in writing about the handling of your account to any person or entity or regulatory authority, and the complaint relates to the cash and/or securities that you are now seeking, please be sure to provide with your claim copies of the complaint and all related correspondence, as well as copies of any replies that you received.
PLEASE CHECK THE APPROPRIATE ANSWER FOR ITEMS 3 THROUGH 9.

NOTE: IF "YES" IS MARKED ON ANY ITEM, PROVIDE A DETAILED EXPLANATION ON A SIGNED ATTACHMENT. IF SUFFICIENT DETAILS ARE NOT PROVIDED, THIS CLAIM FORM WILL BE RETURNED FOR YOUR COMPLETION.

	<u>YES</u>	<u>NO</u>
3. Has there been any change in your account since December 11, 2008? If so, please explain.	_____	_____X_____
4. Are you or were you a director, officer, partner, shareholder, lender to or capital contributor of the broker?	_____	_____X_____
5. Are or were you a person who, directly or indirectly and through agreement or otherwise, exercised or had the power to exercise a controlling influence over the management or policies of the broker?	_____	_____X_____
6. Are you related to, or do you have any business venture with, any of the persons specified in "4" above, or any employee or other person associated in any way with the broker? If so, give name(s)	_____	_____X_____
7. Is this claim being filed by or on behalf of a broker or dealer or a bank? If so, provide documentation with respect to each public customer on whose behalf you are claiming.	_____	_____X_____
8. Have you ever given any discretionary authority to any person to execute securities transactions with or through the broker on your behalf? Give names, addresses and phone numbers.	_____	_____X_____

9. Have you or any member of your family ever filed a claim under the Securities Investor Protection Act of 1970? if so, give name of that broker. _____ X

Please list the full name and address of anyone assisting you in the preparation of this claim form: N/A

If you cannot compute the amount of your claim, you may file an estimated claim. In that case, please indicate your claim is an estimated claim.

IT IS A VIOLATION OF FEDERAL LAW TO FILE A FRAUDULENT CLAIM. CONVICTION CAN RESULT IN A FINE OF NOT MORE THAN \$50,000 OR IMPRISONMENT FOR NOT MORE THAN FIVE YEARS OR BOTH.

THE FOREGOING CLAIM IS TRUE AND ACCURATE TO THE BEST OF MY INFORMATION AND BELIEF.

Date 2/8/09 Signature Ann Wallenstein

Date _____ Signature _____

(If ownership of the account is shared, all must sign above. Give each owner's name, address, phone number, and extent of ownership on a signed separate sheet. If other than a personal account, e.g., corporate, trustee, custodian, etc., also state your capacity and authority. Please supply the trust agreement or other proof of authority.)

This customer claim form must be completed and mailed promptly, together with supporting documentation, etc. to:

Irving H. Picard, Esq.,
Trustee for Bernard L. Madoff Investment Securities LLC
Claims Processing Center
2100 McKinney Ave., Suite 800
Dallas, TX 75201

PORTFOLIO MANAGEMENT REPORT AS OF 12/31/02

THIS REPORT IS PROVIDED TO ASSIST YOU IN EVALUATING THE PERFORMANCE OF YOUR
ACCOUNT AND SHOULD NOT BE USED FOR INCOME TAX PURPOSES,

ALAN WALLENSTEIN

37 HUFF TERRACE
MONTVALE NJ 07645

STARTING EQUITY	4/11/02	545,869.34CR
CAPITAL ADDITIONS		100,443.59CR
CAPITAL WITHDRAWALS		100,000.00-
REALIZED P/L FOR CURRENT YEAR		64,942.06CR
UNREALIZED P/L ON OPEN SECURITY POSITIONS		
CURRENT CASH BALANCE		
NET MARKET VALUE OF OPEN SECURITIES POSITIONS		611,254.00
TOTAL EQUITY		611,254.99CR
ANNUALIZED RETURN FOR CURRENT YEAR	14.85 %	

NET LONG

EXHIBIT D

885 Third Avenue
 New York, NY 10022
 (212) 230-2424
 800 334-1343
 Fax (212) 838-4061

BERNARD L. MADOFF
 INVESTMENT SECURITIES LLC
 New York □ London

ALAN WALLENSTEIN

37 HUFF TERRACE
 MONTVALE

NJ 07645

Affiliated with
 Madoff Securities International Limited
 12 Berkeley Street
 Mayfair, London W1J 8DT
 Tel 020 7493 6222

1-78426-3-0

11/30/08

*****9138

DATE	BOUGHT RECEIVED ON LONG	PAID DELIVERED ON SHORT	TRG	DESCRIPTION	PRICE OR ADJUSTED TO YOUR ACCOUNT	AMOUNT DEBITED TO YOUR ACCOUNT	AMOUNT CREDITED TO YOUR ACCOUNT
11/12	924			BALANCE FORWARD		62,702.92	
11/12	660		1511	WELLS FARGO & CO NEW	29,300	21,571.20	
11/12	572		2013	HEWLETT-PACKARD CO	34,900	23,068.00	
11/12	374		5837	WAL-MART STORES INC	55,830	31,956.76	
11/12	1,386		6339	INTERNATIONAL BUSINESS MACHS	87,270	32,652.98	
11/12	1,518		10163	ELSON MOBIL CORP	12,880	101,066.68	
11/12	726		10665	INTEL CORP	14,510	22,988.38	
11/12	990		14991	JOHNSON & JOHNSON	59,580	43,284.08	
11/12	528		19216	J.P. MORGAN CHASE & CO	38,530	38,183.70	
11/12	308		2013	EMERSON CO	45,660	23,601.48	
11/12	572		27968	MEDIANETS CORP	59,370	17,063.96	
11/12	2,090		32294	MERCK & CO	28,550	16,352.60	
11/12	1,056		36620	MICROSOFT CORP	21,810	45,665.90	
11/12	418		50948	ORACLE CORPORATION	17,500	18,510.80	
11/12	242		53924	PEPSICO INC	56,510	23,595.38	
11/12	1,782		54426	APPLE INC	100,780	24,397.76	
11/12	418		58250	PFIZER INC	16,940	30,258.08	
11/12	792		58752	ABBOTT LABORATORIES	27,810	22,842.98	
11/12	286		62516	AMSTER & SAMUEL CO	64,080	50,782.36	
11/12	550		63078	ANGEN INC	59,160	16,930.76	
11/12	1,520		66902	PHILLIP MORRIS INTERNATIONAL	43,600	24,002.00	
11/12	440		67404	FINC OF AMERICA	21,590	28,550.80	
11/12	1,430		71228	QUALCOMM INC	33,770	16,875.80	
11/12			71730	CITI GROUP INC	12,510	17,946.30	
CONTINUED ON PAGE 2							

BERNARD L. MADOFF
INVESTMENT SECURITIES LLC
New York □ London

ALAN MALLENSTEIN

37 HUFF TERRACE
MONTVALE

NY 07645

885 Third Avenue
New York, NY 10022
(212) 230-2424
800 334-1343
Fax (212) 838-4061

Affiliated with
Madoff Securities International Limited
12 Berkeley Street
Mayfair, London W1J 8DT
Tel 020 7493 6222

11/30/08

1-ZB426-3-0

*****9138

2

DATE	BOUGHT RECEIVED OR LONG	SOLD DELIVERED OR SHORT	TIN	DESCRIPTION	PRICE OR YIELD	AMOUNT DEBITED TO YOUR ACCOUNT	AMOUNT CREDITED TO YOUR ACCOUNT
11/12	330		75554	SCHLUMBERGER LTD	49.480	16,341.40	
11/12	792		76056	COMCAST CORP	16.510	13,106.92	
11/12	1,562		79880	CL A	27	42,235.00	
11/12	396		80382	AT&T INC	52.510	20,808.96	
11/12	264		84206	CONOCOPHILIPS	52.040	13,758.56	
11/12	1,606		84708	UNITED PARCEL SVC INC	16.730	26,932.38	
11/12	462		88532	CLASS B	29.530	13,660.86	
11/12	550		89034	CISCO SYSTEMS INC	73.430	40,408.50	
11/12	264		92858	CHEVRON CORP	53.158	14,046.24	
11/12	2,794		93360	UNITED TECHNOLOGIES CORP	19.639	54,957.22	
11/12	748		97184	GENERAL ELECTRIC CO	30.410	22,775.68	
11/12	66		97686	VERIZON COMMUNICATIONS	337.400	22,270.40	
11/12		1,000,000	24117	GOOGLE	99.936		999,260.00
				U S TREASURY BILL			
				DUE 2/12/2009			
11/12				2/12/2009			
				FIDELITY SPARTAN	DIV		11.34
				U S TREASURY MONEY MARKET			
				DIV 11/12/08			
11/12	17,113		19221	FIDELITY SPARTAN	1		17,613.00
				U S TREASURY MONEY MARKET			
11/12	16,208		28589	FIDELITY SPARTAN	1	16,208.00	
				U S TREASURY MONEY MARKET			
11/19				FIDELITY SPARTAN	DIV		1.99
				U S TREASURY MONEY MARKET			
				DIV 11/19/08			
				CONTINUED ON PAGE 3			

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New York, NY 10022
(212) 230-2424
800 334-1343
Fax (212) 838-4061

BERNARD L. MADOFF
INVESTMENT SECURITIES LLC
New York □ London

ALAN WALLENSTEIN

37 HUFF TERRACE
MONTVALE

NJ 07645

11/30/08
1-28426-3-0
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DATE	BROUGHT RECEIVED OR LONG	SOLD DELIVERED OR SHORT	TIN	DESCRIPTION	PRICE OR SYMBOL	AMOUNT CREDITED TO YOUR ACCOUNT	AMOUNT DEBITED TO YOUR ACCOUNT
11/19		16,208	54128	FIDELITY SPARTAN U.S. TREASURY MONEY MARKET	1		16,208.00
11/19	75,000		58553	U.S. TREASURY BILL DUE 03/26/2009	99.926	74,944.50	
11/19	7,178		63164	FIDELITY SPARTAN U.S. TREASURY MONEY MARKET NEW BALANCE	1	7,178.00	
	1,562			SECURITY POSITIONS	MKT PRICE		
	418			AT&T INC	28.560		
	286			ABBOTT LABORATORIES	52.390		
	242			AMGEN INC	55.540		
	1,320			APPLE INC	92.670		
	550			BANK OF AMERICA	16.250		
	1,606			CHEVRON CORP	79.010		
	1,430			CISCO SYSTEMS INC	16.540		
	528			CITI GROUP INC	8.290		
	792			EGGAT-DOLA CO	46.870		
	396			COMCAST CORP	17.340		
	1,386			CL A			
	2,794			CONOCOPHILIPS	52.520		
				EXXON MOBIL CORP	80.150		
				GENERAL ELECTRIC CO	17.170		
				CONTINUED ON PAGE 4			

Madoff Securities International Limited
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BERNARD L. MADOFF
INVESTMENT SECURITIES LLC
New York □ London

ALAN WALLENSTEIN

37 HUFF TERRACE
MONTVALE NJ 07645

YOUR ACCOUNT NUMBER
1-78426-3-0

PERIOD ENDING
11/30/08

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YOUR TAXPAYER IDENTIFICATION NUMBER
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DATE	BOUGHT RECEIVED OR LONG	SOLD DELIVERED OR SHORT	TRIN	DESCRIPTION	PRICE OR SYMBOL	AMOUNT DEBITED TO YOUR ACCOUNT	AMOUNT CREDITED TO YOUR ACCOUNT
	66			GOOGLE	292.960		
	660			HEWLETT PACKARD CO	35.280		
	1,518			INTEL CORP	13.800		
	374			INTERNATIONAL BUSINESS MACHS	81.600		
	990			J.P. MORGAN CHASE & CO	31.660		
	726			JOHNSON & JOHNSON	58.580		
	308			MCDONALDS CORP	58.150		
	572			MERCK & CO	26.120		
	2,090			MICROSOFT CORP	20.220		
	1,056			DRACLE CORPORATION	16.090		
	418			PEPSICO INC	56.700		
	1,782			PFIZER INC	18.430		
	550			PHILLIP MORRIS INTERNATIONAL	42.160		
	792			PROCTER & GAMBLE CO	64.350		
	440			QUALCOMM INC	38.570		
	330			SCHLUMBERGER LTD	50.740		
	7,178			FIDELITY SPARTAN	1		
	462			U S TREASURY MONEY MARKET	26.980		
	264			U S BANCORP	57.600		
				UNITED PARCEL SVC INC			
				CLASS B			
	75,000			U S TREASURY BILL	99.971		
				DUE 03/26/2009			
				3/26/2009			
	264			UNITED TECHNOLOGIES CORP	48.530		
				CONTINUED ON PAGE 5			

**885 Third Avenue
New York, NY 10022
(212) 230-2424
800 334-1343
Fax (212) 838-4061**

BERNARD L. MADOFF
INVESTMENT SECURITIES LLC
New York □ London

ALAN WALLENSTEIN

37 HUFF TERRACE
MONTVALE NJ 07645

80/00/17
11/30/08

YOUR ACCOUNT NUMBER
1-ZB426-3-0

YOUR ACCESS PIN
*****9138

DATE	BOUGHT RECEIVED OR LONG	SOLD DELIVERED OR SHORT	TRN	DESCRIPTION	PRICE OR SYMBOL	AMOUNT DEBITED TO YOUR ACCOUNT	AMOUNT CREDITED TO YOUR ACCOUNT
748				VERIZON COMMUNICATIONS	32.650		
572				WAL-MART STORES INC	55.880		
924				WELLS FARGO & CO NEW	28.890		
				MARKET VALUE OF SECURITIES			
				LONG			
				1,051,438.63			

PLEASE RETAIN THIS STATEMENT FOR INCOME TAX PURPOSES

Tel 020 7493 6222

212) 838-4061

New York □ London

ALAN HALLENSTEIN

37 HUFF TERRACE
MONTVALE
NJ 07645

11/30/08
DANCOZ PROWSE

PAGE 6

YOUR TAX PAYER IDENTIFICATION NUMBER
*****9138

YOUR ACCOUNT NUMBER
1-ZB426-3-0

DATE	BOUGHT RECEIVED ON LONG	SOLD DELIVERED ON SHORT	TRIN	DESCRIPTION	PRICE OR SYMBOL	AMOUNT DEBITED TO YOUR ACCOUNT	AMOUNT CREDITED TO YOUR ACCOUNT
				YEAR-TO-DATE SUMMARY			
				DIVIDENDS			7,268.34
				GROSS PROCEEDS FROM SALES			8,142,347.99

PLEASE RETAIN THIS STATEMENT FOR INCOME TAX PURPOSES

Madoff Securities International Limited
12 Berkeley Street
Mayfair, London W1J 8BT
Tel 020 7493 6222

885 Third Avenue
New York, NY 10022
(212) 330-2424
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Fax (212) 838-4061

BERNARD L. MADOFF
INVESTMENT SECURITIES LLC
New York □ London

ALAN WALLENSTEIN

37 HUFF TERRACE
MONTVALE

NJ 07645

PERIOD ENDING
11/30/08

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1

YOUR ACCOUNT NUMBER
1-ZB426-4-0

YOUR TAX PAYER IDENTIFICATION NUMBER
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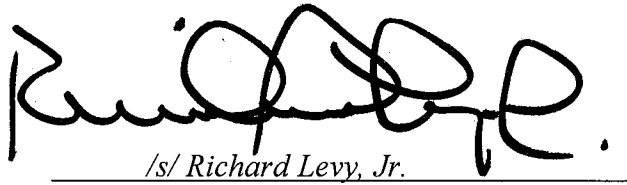
DATE	BOUGHT RECEIVED ON LONG	SOLD DELIVERED ON SHORT	TIN	DESCRIPTION	PRICE OR SYMBOL	AMOUNT CREDITED TO YOUR ACCOUNT	AMOUNT CREDITED TO YOUR ACCOUNT
11/12				BALANCE FORWARD			62,703.00
11/12	22		45272	S & P 100 INDEX NOVEMBER 450 CALL	15.800		34,738.00
11/12	22		49598	S & P 100 INDEX NOVEMBER 450 PUT	17.800	39,182.00	
11/19			35702	S & P 100 INDEX DECEMBER 430 CALL	26		57,178.00
11/19	22		40027	S & P 100 INDEX DECEMBER 420 PUT	30	66,022.00	
11/19	22		44352	S & P 100 INDEX NOVEMBER 460 CALL	3	6,622.00	
11/19			48677	S & P 100 INDEX NOVEMBER 450 PUT	37		81,378.00
				NEW BALANCE			124,171.00
				SECURITY POSITIONS			
			22	S & P 100 INDEX DECEMBER 430 CALL	MKT PRICE 23.300		
	22			S & P 100 INDEX DECEMBER 420 PUT	16.500		
				MARKET VALUE OF SECURITIES			
				LONG			36,300.00
				SHORT			51,260.00

CERTIFICATE OF SERVICE

I certify that on January 19, 2010, I caused a true and correct copy of the foregoing
Objection to Trustee's Determination of Claim on behalf of Alan Wallenstein to be filed
electronically with the United States Bankruptcy Court for the Southern District of New York
and to be served upon all parties in this adversary proceeding who receive electronic service
through the Court's CM/ECF system, and to be served by mail upon:

David J. Sheehan, Esq.
Baker & Hostetler LLP
45 Rockefeller Plaza
New York, NY 10111

Dated: January 19, 2010
New York, New York



/s/ Richard Levy, Jr.
RICHARD LEVY, JR.